

## Message Text

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PAGE 01 AMMAN 07766 231134Z  
ACTION NEA-10

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-08 FRB-03  
INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03  
SP-02 LAB-04 SIL-01 OMB-01 NSC-05 SS-15 STR-05  
CEA-01 SSM-03 IO-13 PRS-01 /096 W  
-----111840 231138Z /10

R 231100Z OCT 77  
FM AMEMBASSY AMMAN  
TO SECSTATE WASHDC 3612  
INFO AMCONSUL JERUSALEM  
AMEMBASSY TEL AVIV

C O N F I D E N T I A L AMMAN 7766

E.O. 11652: GDS  
TAGS: EFIN, JO, IS  
SUBJECT: LEAKAGE IN JORDANIAN MONEY SUPPLY

REF: TEL AVIV 7973

1. DURING MEETING WITH AID ASSISTANT ADMINISTRATOR WHEELER  
OCTOBER 22, GOVERNOR OF CENTRAL BANK DR. SAID NABULSI STATED  
IN PASSING HIS CONTINUING CONCERN OVER IMPLICATIONS OF RECENT  
ISRAELI ACTION TO ESTABLISH OFFICIAL DAILY EXCHANGE RATE ON  
WEST BANK FOR JORDAN DINAR AGAINST ISRAELI LIRA.

2. NABULSI SAID HE FELT THAT ISRAELI ACTION HAD IMPLICATIONS  
BEYOND THOSE OUTLINED IN EMBASSY TEL AVIV'S REFTEL (I.E.  
THAT SETTING OF EXCHANGE RATE IS ESSENTIALLY ADMINISTRATIVE  
MOVE TO REDUCE TEMPTATION FOR SPECULATORS TO PLAY DINARS OFF  
AGAINST OTHER EXCHANGE RATES FOR PROFIT). NABULSI SAID THAT  
MAIN CONCERN IS THAT ISRAELIS MAY NO LONGER BE CONSIDERING  
JORDANIAN DINARS TO BE "LEGAL TENDER" FOR AREAS OCCUPIED AFTER  
1967 WAR. NABULSI SAID HE HAD BEEN INVOLVED IN PAINS-  
TAKING NEGOTIATIONS THROUGH IMF IN POST-JUNE 1967  
PERIOD TO OBTAIN ISRAELI ACQUIESCENCE IN ALLOWING THE  
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JORDANIAN DINAR TO REMAIN THE LEGAL TENDER OF THE WEST  
BANK. IF THE GOI IS NOW TAKING MEASURES UNILATERALLY TO TREAT  
JORDANIAN DINAR LIKE A FOREIGN CURRENCY, THIS CARRIES OBVIOUS  
POLITICAL IMPLICATIONS FOR FUTURE, REGARDING EROSION  
OF THE DINAR'S STATUS AS LEGAL TENDER ON THE WEST  
BANK. HE COMMENTED: "THAT IS LIKE SUGGESTING THAT THE  
AMERICAN DOLLAR IS NO LONGER LEGAL TENDER IN A PART OF

THE UNITED STATES."

3. COMMENT: NABULSI'S REMARKS WERE RAISED IN PASSING AND SHOULD NOT BE CONSIDERED AS A FORMAL JORDANIAN DEMARCHE TO THE USG ON THIS SUBJECT. AT THE SAME TIME, NABULSI IS SUSPICIOUS THAT SEEMINGLY INNOCUOUS GOI ACTION MAY LATER BECOME BASIS FOR CHANGE IN STATUS OF DINAR. NABULSI IS OBVIOUSLY CONCERNED, AS IS THE EMBASSY, OVER POSSIBLE FUTURE POLITICAL IMPLICATIONS OF ANY SIGNIFICANT GOI ACTION TENDING TO CHANGE STATUS OF DINAR ON WEST BANK. SUCH AN ACTION WOULD HAVE OBVIOUS ADVERSE POLITICAL CONSEQUENCES, AND COULD EVEN BE CONTRARY TO INTERNATIONAL LAW REGARDING STATUS OF OCCUPIED TERRITORIES.  
PICKERING

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** CURRENCY STABILITY, MONEY SUPPLY  
**Control Number:** n/a  
**Copy:** SINGLE  
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**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Document Number:** 1977AMMAN07766  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770390-1034  
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**Office:** ACTION NEA  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
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**Review Release Date:** n/a  
**Review Release Event:** n/a  
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**Review Withdrawn Fields:** n/a  
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**Status:** NATIVE  
**Subject:** LEAKAGE IN JORDANIAN MONEY SUPPLY  
**TAGS:** EFIN, JO, IS  
**To:** STATE  
**Type:** TE  
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**Review Markings:**  
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